400 Texas Street, Suite 1400

Shreveport, LA 71101 Firm: 318.221.6858 Fax: 318.227.2967

Web: www.bwor.com

Mailing Address: P.O. Drawer 1126 Shreveport, LA 71163-1126

September 21, 2007

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217 Email: tallen@bwor.com

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION

Hosston Formation, Reservoir A
Cotton Valley Formation, Reservoir A

Lower Cotton Valley Formation, Reservoir A

Elm Grove Field <u>Caddo Parish</u>, <u>Louisiana</u> Our File No. 430071.98

Dear Sir:

On behalf of QUESTAR EXPLORATION AND PRODUCTION COMPANY, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Cotton Valley Formation, Hosston Formation, and the Lower Cotton Valley Formation, Reservoirs A, in the Elm Grove Field, Caddo Parish, Louisiana:

- 1. To permit the applicant to drill, designate and utilize two (2) additional alternate unit wells for HOSS RA SU57 CV RA SU63, at the locations shown on the plats attached hereto;
- 2. To permit the applicant to drill, designate and utilize three (3) alternate unit wells for LCV RA SU93, at the location shown on the plat attached hereto;
- 3. To grant such exceptions to the well spacing provisions of Order No. 361-A-1, effective October 1, 1972, Order No. 361-B, effective October 1, 1973, and Order No. 361-E, effective July 16, 1996, as may be necessary with respect to the proposed alternate unit wells;
- 4. To explicitly find that the proposed alternate unit wells are necessary to drain a portion of the Cotton Valley Formation, Hosston Formation, and the Lower Cotton Valley Formation, Reservoirs A, in the Elm Grove Field underlying HOSS RA SU57, CV RA SU63 and LCV RA SU93, respectively, which cannot be efficiently and economically drained by any existing well in such units.
- 5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier and Webster Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series.

The Hosston Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier and Webster Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A Series.

The Lower Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Bienville and Webster Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of the undersigned. Any person wishing to inspect such data should call the undersigned at (318) 221-6858 during normal business hours or write the undersigned at the above address in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$2,265.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

WTAIII:kmw Enclosures

cc:

Wm. Timothy Allen III
Attorneys for Questar Exploration and Production Company

Mr. James C. Broussard, Shreveport District Manager, Office of Conservation (w/enclosures)

Interested Owners, Represented Parties and Interested Parties (w/copy of plats only)





